

Gift Acceptance Procedure

Effective Date: December 5, 2023
Function: Finance
Contact: RF Chief Financial Officer

Basis for Procedure

In accordance with The Research Foundation for The State University of New York (“RF”) Gift Acceptance Policy, the RF may accept Gifts of money or property as outlined in the Gift Acceptance Policy.

Procedure Summary

This procedure provides the steps to take, as well as relevant guidance to consider, when accepting Gifts of money or property in accordance with the RF’s Gift Acceptance Policy.

Procedure Steps

Step	Role or Responsibility	References or Tips
Determine if Gift should be accepted by the operating location	Operations Manager or designee	The RF may accept Gifts in support of/relating to existing Sponsored Program Activities if use of Gift is consistent with relevant policies governing administration of Sponsored Programs.
Seek review and approval from the RF President or designee for Gifts with a value greater than 1 million dollars	Operations Manager or designee, RF President or designee	
Seek review and approval from the RF President or designee for Gifts of Real Property	Operations Manager or designee, RF President or designee	
Seek review and approval from the RF President or designee for Gifts not related to existing Sponsored Program activities	Operations Manager or designee, RF President or designee	Review will consider whether the Gift is consistent with the mission of RF and SUNY and whether a local campus philanthropic foundation is not a more appropriate done.
Record Gift at Fair Market Value	Operations Manager or designee	The determination of the value of a Gift is the responsibility of the

		donor. The donor must provide an outside appraisal or statement of approximate market value. These should be reviewed by the RF Operations Manager or designee for reasonableness. Guidelines for Recording Gifts in the Grants Management Business System may be found below.
Complete the Statement of Gift Acceptance and forward a copy to the donor	Operations Manager or designee	
Ensure Gift is reported to external sponsors when required	Operations Manager or designee	
Comply with all applicable RF policies	Operations Manager or designee	Includes Gifts to Employees from Non-RF Sources policy
Comply with all applicable Internal Revenue Service (“IRS”) regulations	Operations Manager or designee	Guidelines for compliance with various IRS regulations may be found below.

Guidelines for Compliance with IRS Regulations

The Internal Revenue Service (“IRS”) enacts rules for recordkeeping and substantiation of charitable contributions by donors.

Gifts of Cash, Check or Other Monetary Gift

The IRS requires that donors contributing \$250 or more in cash, check or other monetary Gift acquire written substantiation of their charitable contributions from the recipient organization. The IRS may disallow the deduction by a donor of an unsubstantiated contribution. The IRS generally considers separate payments from the same donor as separate contributions and will not combine them to determine whether the \$250 threshold has been reached. For a contribution of \$250 or more, the IRS does not consider a canceled check or bank record to be adequate substantiation.

RF Procedure on Substantiation

The IRS places the responsibility for obtaining substantiation on the donor. However, in order to maintain good will on the part of donors and to avoid after-the-fact research by operating locations to verify contributions, the RF requires that operating locations provide a written Statement of Gift Acceptance to the donor as soon as the contribution is received. This contribution acknowledgment should include the following:

- The name of the recipient organization (the RF)
- The amount of the contribution

- Either a description and good faith estimate of the value of goods or services, if any, that the RF provided in return for the contribution or a statement that no such goods or services were provided
- Signature by the Operations Manager or designee

Additional Disclosure of Goods and Services

The IRS requires that organizations providing goods or services to a donor in exchange for a single charitable contribution in excess of \$75 must give to the donor a written statement that:

- Provides a good faith estimate of the value of the goods and services provided (estimate of the normal cost of such goods or services)
- Informs the donor of the amount of the contribution that is deductible (amount of the contribution minus the value of the goods and services)

This disclosure requirement is not necessary if the donor receives only token goods or services, such as a pen or coffee mug, or the transaction involved the purchase of goods or services at typical Fair Market Value (e.g. the sale of a T-shirt for the purposes of fundraising, at market cost including a normal profit margin).

Additional disclosure requirements may apply. Please refer to the [IRS guidance on charitable contributions](#) for additional information.

Gifts of Motor Vehicles, Boats and Airplanes

If a donor contributes a motor vehicle and claims the value of the vehicle exceeds \$500, the IRS requires the recipient organization provide written acknowledgement to the donor. In such cases, completion of [IRS Form 1098-C](#) is required.

RF Procedure on Substantiation

In addition to IRS Form 1098-C, the contribution acknowledgement must include information on what the RF intends to do with the vehicle.

If the RF sells the vehicle for more than \$500, the contribution acknowledgement must include:

- A statement that the vehicle was sold in an arm's length transaction between unrelated parties
- The date the vehicle was sold
- The gross proceeds received from the sale
- A statement that the donor's deduction may not exceed the gross proceeds from the sale

If the RF sells the vehicle for less than \$500, the contribution acknowledgement must include:

- The name of the recipient organization (the RF)
- A description (but not value) of the vehicle
- Either a description and good faith estimate of the value of goods or services, if any, that the RF provided in return for the contribution or a statement that no such goods or services were provided

If the RF intends to make significant intervening use of the vehicle, the contribution acknowledgement must include:

- A statement that the RF intends to make a significant intervening use of the vehicle
- A detailed statement of the intended use

- A detailed statement of the duration of use
- A statement that the vehicle will not be sold prior to completion of the use

Significant intervening use is defined as considerable use of the vehicle to substantially further the RF's regularly conducted activities.

Additional disclosure requirements may apply. Please refer to [IRS guidance on vehicle donation](#) for additional information.

Gifts of Other Real and Personal Property

For information about the RF's policy and procedures related to donations of other Real and Personal Property, please refer to the RF's [Property Management Handbook](#).

Guidelines for Recording Gifts in the Grants Management Business System

For Gifts in support of or relating to existing Sponsored Program Activities, the following key attributes should be used:

Contribution Type	Attribute	Value	References or Tips
Cash	Award Classification	Sponsored Program	
	Award Purpose Code	Gift Cash Program Support	
	Billing Distribution Rule	Event	
	Revenue Distribution Rule	Cost	Contribution will be recorded as the installment and budget. An event should be created for the amount of cash received.
Non-Cash	Award Classification	Sponsored Non Cash	
	Award Purpose Code	Gift Non Cash Program Support	
	Billing Distribution Rule	Event	
	Revenue Distribution Rule	Cost	Contribution will be recorded as the installment and budget. An event should be created for the estimated Fair Market Value of the contribution received.

For Gifts not in support of or relating to existing Sponsored Program Activities, the following key attributes should be used:

Contribution Type	Attribute	Value	References or Tips
Cash (Unrestricted Use)	Award Classification	Corporate Campus Specific	
	Award Purpose Code	Gift Cash Non Program Support	
	Billing Distribution Rule	Event	
	Revenue Distribution Rule	Cost	Contribution will be recorded as the installment and budget. An event should be created for the amount of cash received.

Cash (Restricted Use)	Award Classification	Corporate Restricted	
	Award Purpose Code	Gift Cash Corporate Restricted	
	Billing Distribution Rule	Event	
	Revenue Distribution Rule	Cost	Contribution will be recorded as the installment and budget. An event should be created for the amount of cash received.
Non-Cash (Unrestricted Use)	Award Classification	Corporate Campus Specific	
	Award Purpose Code	Gift Non Cash Non Program Support	
	Billing Distribution Rule	Event	
	Revenue Distribution Rule	Cost	Contribution will be recorded as the installment and budget. An event should be created for the estimated Fair Market Value of the contribution received.
Non-Cash (Restricted Use)	Award Classification	Corporate Restricted	
	Award Purpose Code	Gift Non Cash Corp Restricted	
	Billing Distribution Rule	Event	
	Revenue Distribution Rule	Cost	Contribution will be recorded as the installment and budget. An event should be created for the estimated Fair Market Value of the contribution received.

Expensing Non-Cash Contributions

When the contribution is received, non-cash receipts should be expensed in the business system via Pre-Approved Batches as "Usage Charges" using the non-cash award expenditure types and non-cash award allowed cost schedule. The expenditure type should correspond to the type of receipt.

Example: A sponsor contributes tractors for use in conducting a training program. The award should be established for the estimated Fair Market Value of the tractors and the value of the tractors should be expensed to NCO Non Cash Equipment.

Definitions

Gift - Money, property, or Real Property that is given with no direct benefit expected in return except for recognition and disposition as requested by the donor. Generally, a Gift has no formal fiscal accountability associated with it beyond progress and summary reports. Finally, in general, a Gift has no deliverables associated with it, and there is usually no requirement that unused funds be returned to the donor.

Sponsored Program - An activity that is funded by an external organization, such as a federal, state, or private organization or agency. The characteristics of a Sponsored Program include: a specific scope of work or set of specific aims; financial accountability and/or reporting; that the funds must be

separately budgeted and accounted for; a specific period of performance; deliverables, including a final technical report; and a stipulation as to how unused funds are to be handled.

Fair Market Value - An estimate of the [market value](#) of a [property](#), based on what a knowledgeable, willing, and unpressured [buyer](#) would probably pay to a knowledgeable, willing, and unpressured [seller](#) in the [market](#). An estimate of Fair Market Value may be founded either on precedent or extrapolation.

Real Property - Land and any property attached directly to it, including any subset of land that has been improved through legal human actions. Examples of real properties can include buildings, ponds, canals, roads, and machinery, among other things.

Personal Property - Anything besides land that may be subject to ownership. Thus, the main characteristic of Personal Property is that it is movable, unlike Real Property or real estate.

Related Information

[Gift Acceptance Policy](#)

[Gifts to Employees from Non-RF Sources](#)

[SUNY Gift Acceptance Procedures, Document number 9250](#)

Forms

[Statement of Gift Acceptance](#)

Change History

Date	Summary of Change
December 5, 2023	Renamed from "Gifts and Non-cash Awards." Clarified procedure, linked to relevant regulations and guidance, updated format.
July 8, 2008	Updated values in "Cash Contribution" tables.
July 3, 2006	Split the Cash Awards table into two tables to distinguish between the different values for the Revenue Distribution Rules.
September 3, 2004	Updated definition of "Gift Non Cash Program Support."
July 1, 2004	New document.

Feedback

Was this document clear and easy to follow? Please send your feedback to webfeedback@rfsuny.org.